

Approved



**ENHANCED MUNICIPAL SERVICES DISTRICT COMMISSION
CITY OF SCOTTSDALE
PINNACLE CONFERENCE ROOM
7575 EAST MAIN STREET
SCOTTSDALE, ARIZONA
OCTOBER 20, 2004
MINUTES**

PRESENT: Scudder Gookin, Jr., Chairman
Paul Piazza, Vice-Chairman
Marilyn Atkinson, Commissioner
Anselm Bischoff, Commissioner
Bambi Johnson, Commissioner

ABSENT: Steven Scholz, Commissioner
Sally Shaffer, Commissioner

STAFF: John Little, Executive Director
Michelle Korf, Deputy Director

OTHERS

PRESENT: Michelle Olson, Olson Communications
Frank Maguire, 5th Avenue Merchants Association
Stan Yamamoto, Park & Company
Clark Johnson, 5th Avenue Merchants Association
Alan Pyle, 5th Avenue
Judy Pinch, Old Town Merchants Association
Michael Fernandez, Brown Stetson Merchants Association

CALL TO ORDER

Chairman Gookin called the special meeting of the Enhanced Municipal Services District Commission to order at 5:40 p.m.

ROLL CALL

A formal roll call confirmed members present as stated above.

APPROVAL OF MINUTES

August 11, 2004, August 19, 2004, and September 15, 2004, meetings

COMMISSIONER PIAZZA MADE A MOTION TO APPROVE THE AUGUST 11, 2004, AUGUST 19, 2004, AND SEPTEMBER 15, 2004 MEETING MINUTES AS PRESENTED. SECOND BY COMMISSIONER BISCHOFF AND PASSED UNANIMOUSLY.

Commissioner Piazza commented that the minutes were very well done.

FY04 DISTRICT ASSESSMENT CARRYOVER AND FY05 BUDGET

Ms. Korf reported carryover funds have been identified by the City's Finance Department in the amount of \$115,900. These funds represent the accumulation of previous years' carryover of district funds. She further reported that this is likely a one-time occurrence and that future carryovers are likely to be much smaller. She explained the requested action is for the Commission to consider a motion to increase the FY05 budget by \$115,900 and direct Olson Communications to develop marketing strategies and cost estimates that are consistent with Commission priorities.

Ms. Olson reviewed the Marketing Working Group recommended priorities for use of EMSD roll-over funds:

1. Strengthen public relation effort
 - a. Increase support for special events
 - b. Downtown and merchant publicity
2. On going awareness advertising (not event specific)
3. Better signs for downtown districts
 - a. Permanent banners
 - b. Upgraded kiosks
4. Reprint map and directory in spring
5. Concierge outreach

Commissioner Atkinson stated these suggestions did not include upgrading the budget for the ambassador's program. Ms. Olson replied that would come under concierge outreach. Commissioner Atkinson inquired about the carts. Ms. Olson replied that would come under upgraded kiosks. She noted that they tried to keep the list generic.

Commissioner Piazza suggested setting some of the \$115,900 aside and suggested allocating a percentage to each of the districts.

COMMISSIONER ATKINSON MADE A MOTION TO INCREASE THE FY05 BUDGET BY \$115,900 AND BE ALLOCATED INTO THREE CATEGORIES:

- 1. RESERVE**
- 2. AREA GRANTS**
- 3. OVERALL EMSD NEEDS**

SECOND BY COMMISSIONER JOHNSON.

Commissioner Piazza stated the districts should be apprised that there would be more funding available and should submit applications for consideration.

Commissioner Atkinson reported at the last couple of meetings the Marketing Group has been advised that there is additional funds and has been putting together a wish list.

Commissioner Bischoff stated that he did not think we should be in such a big hurry to spend all of the funds and should set some aside.

CHAIR GOOKIN CALLED FOR THE VOTE. THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

COMMISSIONER ATKINSON MADE A MOTION TO DIRECT OLSON COMMUNICATIONS TO COME UP WITH RECOMMENDATIONS FOR THE COMMISSION TO CONSIDER FOR ALLOCATING THE FUNDS. SECOND BY COMMISSIONER PIAZZA.

Commissioner Johnson inquired if Olson's recommendations would include all three categories. Commissioner Atkinson replied in the affirmative.

Commissioner Johnson inquired if these funds are not used would they roll over. Ms. Korf replied in the affirmative. Chairman Gookin stated from a political standpoint if the funds continue to roll over there might be concerns from the districts regarding why the assessment is so high.

Commissioner Johnson stated for clarity the intent of the motion is to ask the districts to put in requests for grants and ask Olson to provide their professional advice on how to spend the funds.

CHAIR GOOKIN CALLED FOR THE VOTE. THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

Ms. Olson stated Kathy Duley called her today regarding the carryover funds and wanted to request funds for Blues Night. Mr. Little replied that could not be considered under this agenda item.

REQUESTS FOR CONTINGENCY FUNDING

Ms. Olson reported they have identified two marketing opportunities for the downtown. The Commission is being asked to consider a motion to allocate funds from FY05 contingency budget in the amount of \$9,200 to support Rock 'n' Roll Marathon marketing activities.

She further reported the purpose is to leverage the EMSD sponsorship of P.F. Chang's Rock 'n' Roll Marathon, and propose the following marketing activities:

Route signage (20 small signs)	\$575
Downtown banners (at finish line and on music stage)	435
Ad sizing and creative contingency	700
Expo booth handouts and design, goodie bag filler	2,500
Opportunity advertising (to be used if great opportunity arises)	<u>5,000</u>
Total Request	\$9,200

Ms. Olson explained the downtown banners would contain only the Scottsdale Downtown logo.

The Route signage is proposed to be like a "Burma Shave" campaign with a continuous message that grabs the runner's attention.

Ms. Olson stated the Commission is being asked to consider a motion to allocate funds from contingency budget in the amount of \$4,100 to support the concierge outreach program.

The purpose is to initiate an outreach project to Scottsdale area resort and hotel concierges, and propose the following program activities:

Materials	\$450
Fuel expenses	450
Compensation	<u>3,200</u>
Total Request	\$4,100

Ms. Olson explained materials would include an updated news page each month for the concierges about exciting downtown retail, cultural, restaurant and nightlife activities and special events, and ways to work around construction and traffic projects. It may also include a downtown binder in which to contain on-going information.

Concierge program representatives will be very familiar with the downtown specialty retail districts, offering energy and excitement to the concierges about the authentic and original experiences in downtown. Downtown representatives will be paid \$10 per hour, visiting 35 or so local resorts and hotels once or twice each month through June 2005.

Commissioner Piazza inquired if the banners could be reused. Ms. Olson replied in the affirmative.

Commissioner Piazza suggested having a sign along the race route that says Welcome to Scottsdale or "You Have Arrived".

COMMISSIONER PIAZZA MADE A MOTION TO ALLOCATE FUNDS FROM FY05 CONTINGENCY BUDGET IN THE AMOUNT OF \$9,200 TO SUPPORT ROCK 'N' ROLL MARATHON MARKETING ACTIVITIES AS OUTLINED. SECOND BY COMMISSIONER ATKINSON.

THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

COMMISSIONER ATKINSON MADE A MOTION TO ALLOCATE FUNDS FROM THE CONTINGENCY BUDGET IN THE AMOUNT OF \$4,100 TO SUPPORT THE CONCIERGE OUTREACH PROGRAM. SECOND BY COMMISSIONER JOHNSON.

Chair Gookin inquired if this request represents the input from the Working Group. Ms. Olson replied in the affirmative adding we worked on it together. She explained there could be increase in the line items for material costs but we did not want to spend the entire amount. Chair Gookin inquired if this could be amended later. Ms. Olson replied in the affirmative.

COMMISSIONER ATKINSON AMENDED THE MOTION TO ALLOCATE FUNDS FROM THE CONTINGENCY BUDGET IN THE AMOUNT OF \$7,000 TO SUPPORT THE CONCIERGE OUTREACH PROGRAM. SECOND BY COMMISSIONER JOHNSON.

Commissioner Bischoff stated that he did not like the idea of raising the amount. Commissioner Johnson stated the working group discussed this amount.

Judy Pinch stated the working group discussed providing some leeway with the extra funds.

CHAIR GOOKIN CALLED FOR THE VOTE. THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

REVIEW OF AREA GRANTS

Ms. Korf reported several grant applications have been submitted for the Commission's review and approval. Ms. Korf announced that John Eby has asked to have his application withdrawn and considered at the next Commission meeting because he would like his application considered by the full Commission.

Allen Pile, 5th Avenue Merchants Association, provided an overview of their District's proposal. The total grant request is for \$38,000 to cover the following:

1. 5th Avenue Banners
2. Farmers Market
3. Two Thieves Market
4. Made In Arizona
4. Ice Crème Social
5. Fifth Avenue Brochures

Commissioner Johnson reported that she has heard a lot of comments over the past few years that the Thieves market has gone downhill. Mr. Pile stated the district shares her concerns and is trying to make the event better.

Chair Gookin stated the grant applicant is for more than the \$30,000 base allocation for each district. Ms. Korf reminded the Commission that they have heard applications from districts that exceed the \$30,000 and allowed the districts to apply the funds on the programs presented in the application. Chair Gookin stated at this point, we need to determine how the additional grant funds will be made available to the districts.

Commissioner Piazza reminded the Commission that 5th Avenue has already been approved for \$5,000 in area grant funds. He stated his suggestion would be to approve the remaining \$25,000 and allow them to determine how it should be used on the items that have been presented. Then next month when Olson comes back with their recommendations on how to allocate the funds we can make further decisions.

COMMISSIONER PIAZZA MOVED TO APPROVE THE GRANT APPLICATION PROPOSAL IN THE AMOUNT OF \$25,000 FOR THE 5TH AVENUE MERCHANTS ASSOCIATION WITH SOME FLEXIBILITY WITH WHAT HAS BEEN PRESENTED. SECOND BY COMMISSIONER BISCHOFF.

Chair Gookin commented the motion is consistent with how the Commission has handled previous grant applications.

Mr. Little informed the group that the banners need to go through the Development Review Board in a work study session.

CHAIR GOOKIN CALLED FOR THE VOTE. THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

Ms. Korf stated there were no more applications for review. Mike Fernandez, Brown Stetson Merchants Association, stated he submitted their application to Sahler Hornbeck two weeks ago.

Mr. Fernandez provided an overview of their District's proposal. The total grant request is for \$650.00 to cover the cost of the horse-drawn trolley at the Holiday Lighting Program.

COMMISSIONER ATKINSON MOVED TO APPROVE THE GRANT APPLICATION PROPOSAL IN THE AMOUNT OF \$650.00 FOR THE BROWN STETSON MERCHANTS ASSOCIATION. SECOND BY COMMISSIONER BISCHOFF.

THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0).

MARKETING WORKING GROUP UPDATE/RECOMMENDATIONS

Commissioner Atkinson passed out a copy of the notes from the marketing group meeting and reviewed items this group has been working on including brochure, map, and directory. She reported we would be listed on the Rock 'n' Roll Marathon website. She further reported the group discussed EMSD funding for the Concierge's Program, Destination Management Program, and ambassadors needs. She added the group discussed the funding for Open Air Events but felt the group was already well funded.

Commissioner Johnson stated the group had requested a staff member look into securing the rights for the "Downtown" song for advertising and to be used in the room video. Ms. Olson stated when this discussion took place several months ago it was not her recollection the group was entirely supportive of the song.

Stan Yamamoto, Park & Company, showed pictures of the event advertising. Commissioner Johnson stated the working group had discussed including fine jewelry in the ads. Commissioner Piazza suggested that there could be variety in the dress and maybe show something more hip.

Ms. Olson reported we have been working closely with the Scottsdale CVB. She further reported that she and John Little spoke to the Concierge Association last week.

Commissioner Johnson stated the Marketing Group had asked Sahler Hornbeck to look into having a menorah at the Holiday Harmony event. Ms. Korf replied she would follow up on that.

Frank Maguire stated funding needs to be allocated for the booth they share with the CVB at the signature events.

FUTURE AGENDA ITEMS/COMMISSIONER ANNOUNCEMENTS

Ms. Korf stated the next meeting would be on November 17, 2004. The Commission requested future agenda items:

- Area Grant Applicants
- Marketing Working Group Update
- Olson report on distribution of funds

Chair Gookin announced he is now a grandfather.

Commissioner Johnson thanked staff members' John Little and Michelle Korf for bringing forward the information on the carryover funds.

Mr. Little stated the Commission might want to consider requesting the districts to provide updates on how Area Grant funds were spent and evaluations of the events that the EMSD helped sponsor. Commissioner Atkinson stated she has requested invoices and is still waiting.

Commissioner Piazza announced the Western Art Walk is tomorrow. He passed out the Arts + Culture 2005 brochure produced by the Greater Phoenix Convention & Visitors Bureau.

STAFF ANNOUNCEMENTS

Mr. Little passed out copies of recent newspaper articles on the downtown.

ITEMS FROM THE FLOOR

Frank Maguire, 5th Avenue Merchants Association, announced the Gauthier Car Classic will be this Friday, Saturday, and Sunday.

ADJOURNMENT

With no further business to discuss, the regular meeting of the Scottsdale Enhanced Municipal Services District Commission was adjourned at 8:00 p.m.

Respectfully Submitted

"For the Record" Court Reporters